

ORIGINAL

AGREEMENT BETWEEN
THE TOWNSHIP OF LOWER
COUNTY OF CAPE MAY, STATE OF NEW JERSEY
AND
THE LOWER TOWNSHIP SUPERVISORS UNION
JANUARY 1, 2012 THROUGH DECEMBER 31, 2015

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PREAMBLE

This Agreement entered onto this ____ day of December 2013, by and between the Township of Lower, in the County of Cape May, New Jersey, a Municipal Corporation of the State of New Jersey, (hereinafter called the "Township" or "Employer") and the Lower Township Supervisors, (hereinafter called the "Supervisors") represents the complete and final understanding on all bargainable issues between the Township and the Supervisors.

ARTICLE I – RECOGNITION

The Employer recognizes the Supervisors as the Bargaining Agent for the purpose of establishing salaries, wages, hours and other conditions of employment for all of its employees in the classifications listed in Article XI, which is part of this Agreement.

ARTICLE II – CHECK OFF

- A. The Township agrees to deduct from the salaries of its employees, subject to this Agreement, dues for Supervisors of Lower Township. Such deductions shall be made in compliance with Chapter 123, Public Laws of 1974, (N.J.S.A. (R.S.) 52:14-15.9e, as amended), and member shall be eligible to withdraw such authority during July of each year.
- B. A check off shall commence for each employee who signs a properly date authorization card supplied by the Supervisors and verified by the Treasurer of the Council during the month following the filing of such card with the Township.
- C. The aggregate deductions from all employees shall be remitted to the Treasurer of the Council together with the list of names of all employees for whom the deductions were made by the 15th day of the succeeding month after such deductions were made.
- D. If during the life of this Agreement, there shall be any change in the rate of membership dues, the Local Supervisors shall furnish the Township written notice thirty (30) days prior to the effective date of such change and shall furnish to the Township an official notification heading Lower Township Supervisors advising of such changed deduction.
- E. The Supervisors will provide the necessary “check off” authorization for and the Supervisors will secure the signatures of its members on the forms and deliver the signed forms to the Township Treasurer.

ARTICLE III – SUPERVISORS

- A. The Township agrees to deduct the fair share from their earnings of those employees who elect not to become members of the Supervisors and transmit the fee to the majority representative.
- B. The deductions shall commence for each employee who elects not to become a member of the Supervisors during the month following written notice from the Supervisors of the amount of the fair share assessment.
- C. The fair share fee for services rendered by the Supervisors shall be in an amount equal to the regular membership dues, initiation fees, and assessments of the Supervisors, less the cost of benefits financed through the dues and available only to Members of the Supervisors, but in no event shall the fee exceed 85 percent of the regular membership dues, fees and assessments.
- D. The sum representing the fair share fee shall not reflect the costs of financial support of political causes of candidates, except to the extent that it is necessary for the Supervisors to engage in lobbying activity designed to foster its policy goals in collective negotiations and contract administration, and to secure the employees it represents advances in wages, hours, and other conditions of employment which ordinarily cannot be secured through collective negotiations with the Township.
- E. The Supervisors shall establish and maintain a procedure whereby any individual paying the agency fee can challenge the assessment as computed by the Supervisors. This appeal procedure shall in no way involve the Township to take any action.
- F. The Supervisors shall indemnify, defend and save the Township harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Township in reliance upon salary deduction authorization cards submitted by the Supervisors to the Township or due to any agency fees deducted by the Township.

ARTICLE IV – VACATION

A. Annual vacation shall be granted as follows:

For Bargaining Unit Members employed by the Township on or before 1/1/2012 or promoted to a position which requires Bargaining Unit membership:

Up to first year of working service	1 day per month worked
After 1 year and up to 5 years	13 working days
After 5 years and up to 10 years	16 working days
After 10 years and up to 15 years	20 working days
After 15 years	25 working days

For New Employees hired (not promoted to bargaining unit membership) after 1/1/2012:

Up to 1 st year of working service	1 working day per month
After 1 year and up to 10 years	12 working days
After 10 th year and up to 20 years	15 working days
After 20 years	20 working days

Vacations shall be scheduled only with the approval of the Manager. The Township reserves the right to refuse vacation requests if administrative pressures so require.

- B. Any vacation leave accruing in any calendar year after 1985 which is unused by an employee within that calendar year may be used within the following calendar year, but it shall not be accumulated thereafter, unless the workload of the department/division prevents the employee from taking such leave. If this occurs, the employee shall obtain a letter signed by the Manager and have one placed in his/her personnel file authorizing this accumulation of unused vacation leave.
- C. Upon regular retirement or resignation in good standing, an employee will receive remuneration for unused vacation time from the current year and preceding year of the employee's retirement or resignation in good standing. Resignation in good standing is written notice at least 14 days in advance, and employee will be working or on approved leave in order to receive unused vacation pay which has accumulated in the year of retirement or resignation, prorated in accordance with Paragraph E below, and the immediately preceding calendar year.
- D. Vacation leave entitlements for the entire year shall be credited to the employee at the beginning of each calendar year in anticipation of

continued employment for the full year. In the event the employee terminates employment, takes a leave of absence, or has any other changes in status where such leave is not earned for a portion of the year, the employer shall recover the prorated value of vacation leave, and if the employee utilizes more than is earned, he shall be required to reimburse the employer for the value for the used, but unearned, leave. For the purpose hereof, the prorated value of the vacation leave shall be determined by i) dividing the number fifty-two (52) by the number of full weeks in such year as of the date of such termination of employment, leave or change in status, then ii) multiplying such fraction by the total number of vacation days credited at the beginning of such year, and then iii) subtracting the vacation days used in such year.

ARTICLE V – HOLIDAYS

A. 1. All Township employees shall be entitled to the following holidays or the day observed as such by the Township:

- *Christmas
- *Thanksgiving Day
Day After Thanksgiving
- *Fourth of July
Lincoln's Birthday
- *President's Day (Washington's Birthday)
- *Memorial Day
- *New Year's Day
- *Labor Day
- *Columbus Day
- *Veteran's Day
Election Day
Good Friday
- * Martin Luther King's Birthday

*Denotes federal holidays.

2. In the event that any Township employee is required to work on one of the above-designated holidays, he/she shall be compensated at one and one-half (1½) times the employees regular rate of pay, to be paid as part of their regular salary.

3. In addition to the enumerated holidays, all members of this union shall be entitled to four (4) personal leave days, to be requested seventy-two hours prior to the desired time off if possible, except in the case of an emergency. Personal leave entitlements for the entire year shall be credited to the employee at the beginning of each calendar year in anticipation of continued employment for the full year. In the event the employee terminates employment, takes a leave of absence, or has any other change in status where such leave is not earned for a portion of the year, the employer shall recover the prorated value of personal leave, and if the employee utilizes more leave than is earned, he shall be required to reimburse the employer for the value of the used, but unearned leave. For the purpose hereof, the prorated value of the personal leave shall be determined by i) dividing the number fifty-two (52) by the number of full weeks in such years as of the date of such termination of employment, leave or change in status, then ii) multiplying such fraction by the total number of personal days credited at the beginning of such year, and then iii) subtracting the personal days used in such year.

B. Whenever Township Hall is closed either due to severe weather conditions, or to the declaration by the Township of a Holiday other than those listed under Paragraph A.1 of this Article, any employees who are required to work shall be

granted an equal amount of compensatory time off taken within that calendar year. This section is applicable whenever employees are not charged for the day of (vacation, etc.) because of severe weather closing.

ARTICLE VI – INSURANCE, HEALTH & WELFARE

A. The Township shall provide the following health benefits for all full-time permanent and provisional employees working thirty (30) hours per week or more, and their dependents, starting at the beginning of the third full calendar month of employment.

1. Major medical benefits with 100% coverage in-network for covered services. For out-of-network services, there will be a \$100 deductible per person and a \$250.00 deductible per family and a 30% co-insurance charge after deductibles on the first \$2,000 of covered charges per person. The maximum deductibles and co-insurance charges per individual is \$2,000 and \$5,000 per family. The deductibles and co-insurance charges do not apply in-network. The in-network co-payments will be \$15 per office visit. All coverage for out-of-network will be based upon usual and customary charges. The covered services provided hereunder are set forth on Schedule A attached hereto.

2. The Township will provide a prescription plan, which will require co-payments of \$5 generic and \$10 for brand name. There will be one (1) co-payment per (90)day supply of medication for mail orders.

3. Dental plan with payment limitations as follows:

Preventative Maintenance , etc.	100%
Diagnostic and Restorative Treatment	85%
Endodontics and Periodontics	85%
Prosthodontics (Fixed and removable)	85%
Orthodontics	85%

Maximum Benefit: \$1,500 per person per calendar year.
\$3,150 lifetime maximum per person for orthodontic service.

4. A Vision Care Plan – Eye Exam Annually

New lenses, frames, and or contacts once every twenty-four (24) months as follows:
(subject to arbitrator's decision attached)

Vision Analysis	\$120
Single Vision Lenses	\$110
Bifocal Lenses	\$125
Multi-focal Lenses	\$140
Contact Lenses	\$150
Frames	\$125

5. These benefits, in their amended form, will start on the date of this Agreement, and shall continue for the life of the term of this Agreement.
- B. The Township shall provide the following health benefit coverage for retired employees up to sixty-five (65) years of age.

1. Eligibility

- a. Employee retires at age sixty-two (62) or older with at least fifteen (15) years of service with the Township.
- b. Employee retires before age sixty-two (62) with at least twenty-five (25) years of service with the Township.
- c. Coverage is for retired employee and those dependents at time of retirement, but only for as long as they remain dependents. Subsequent marriage will not make a new spouse and dependents eligible.

2. Benefits

- a. Basic medical and major medical as described under Subparagraph A.1 of this Article.
- b. Prescription drug plan as described under Subparagraph A.2 of this Article.

3. Coordination of Benefits

If the retired employee takes a job with an employer who provides health benefits, he/she must obtain primary coverage thereunder, and the Township will be the secondary insurer. The same applies, if the retired employee's spouse has or takes another job, which provides health benefits, with employed spouse's benefit primary.

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C. The Township shall provide the following health benefits coverage for retired employees who have reached the age of sixty-five (65):

1. Eligibility

- a. Employee retired at age sixty-two (62) or older with at least fifteen (15) years continuous service with the Township at the time of retirement.
- b. Employee retired with at least twenty-five (25) years of service with the Township, not necessarily continuous at the time of retirement.
- c. Employee retired at age sixty-five (65) or older but with less than fifteen (15) years of service with the Township, shall be allowed to participate in any Township group plans for supplemental Medicare Insurance, (if the Township provides one) and prescription program as long as the employee pays the premiums.
- d. Coverage is for retired employee and spouse, both of who have reached sixty-five (65). When one employee or spouse reaches sixty-five (65), the other will continue to receive coverage as described under Subparagraph B2 of this Article, until he/she also reaches sixty-five (65).

2. Benefits are limited to a maximum of \$925 for retired employee and spouse, to assist in the purchase of a Medicare supplement health benefits program. Medicare Part B payments/deductions shall have been authorized by each. The Township reserves the right to purchase the supplement directly, or to reimburse the retired employee and/or spouse.
3. If retired employee or spouse has or takes a job with an employer who provides health benefits, he and/or she must obtain primary coverage thereunder, and the Township will be the secondary insurer. Coordination of benefits will apply.

D. To the extent that the Federal Social Security Medicare Program changes the eligible age limits for participation therein, then the age limit of sixty-five (65) for eligibility for Township health benefits upon retirement shall be adjusted accordingly, to match the Medicare eligibility requirements. For example, if the Medicare eligibility age were to be increased to 66 years (for specific individuals), then the Township's benefits under Paragraph B of this article would continue at age sixty-six (66), and the Township's benefits under Paragraph C of this Article would start at age sixty-six (66), to coincide with the Medicare Terms and Conditions.

E. The Township retains the right, at its option, to change any of the existing insurance plans or carriers providing such benefits, so long as the level of

benefits provided to the employees and their eligible dependents are greater than or equal to the current plan. Notwithstanding the foregoing, the Township retains the exclusive right to return to the New Jersey State Health Benefit Plan so long as it provides employees with the coverage available under the State Health Benefits Plan that is substantially similar to the employee's current coverage. The Township further reserves the right, at its option, to self-insure any of said plans and coverages so long as the level of benefits provided to the employees and their eligible dependents is equal to or better than. In the event the Township changes any of the existing insurance plans or carriers providing such benefits, the Township will give the Supervisors thirty (30) days notice prior to implementing the new Plan or carrier.

- A. When both husband and wife are Township employees, family coverage will be provided under only one contract, with the supplemental benefit of 100% coverage for vision and dental, and 100% reimbursement of in and out -of network deductibles and co-payments. When an employee's spouse works for another employer with family health benefits, then the may opt out of health insurance provided by the Township. In such event, the Township shall compensate the employee at the rate of 25% or \$5,000.00, whatever is less, of the annual amount saved by the Township because of the employee's decision to opt out. Payment will be made in December of that year in lieu of enrolling the employee in the Township Plans. An employee who waives coverage shall be permitted to resume coverage under the same terms and conditions as apply to initial coverage if the employee ceases to be covered through his/her spouse for any reason, including, but not limited to, the retirement or death of the spouse, or divorce.
- F.
- G. The provisions of this Agreement do not affect the health benefits coverage's of employees who retired prior to the effective date of this same Agreement, all of which benefits are to be determined by prior contracts in effect at the time of retirement.
- H. The Township agrees to provide a free legal defense to any employee sued in his or her official capacity for any legal act committed within his/her authority as a Township employee.
- I. The Township shall provide a \$25,000.00 life insurance policy of the employee's life only, in addition to the insurance provided by the state pension plan.
- J. Cost Contribution: Bargaining unit members shall contribute to the costs of the Health Benefits Insurance Plan coverages. All bargaining unit members shall pay a portion of health care coverage costs consistent with

P.L. 2011, c. 78 (hereinafter "Chapter 78"). In addition, all Bargaining unit members who retire on or after June 28, 2011, shall contribute in accordance with P.L. 2011, c. 78 (hereinafter "Chapter 78").

ARTICLE VII – LEAVE OF ABSENCE

A. Military Leave

Military Leave shall be provided consistent with applicable law.

B. Bereavement Leave

An employee shall be granted up to three (3) working days off with pay, for the purpose of bereavement leave for the loss of a family member from the date of the death up to and including the day after the funeral. The following is a list of those persons who qualify within the term "family member":

Mother	Grandparents
Father	Sister
Spouse	Brother
Children	Step Children
Father-in-law	Mother-in-law
Grandchildren	

"Family member" shall also include any relative of the employee or person that has been residing in the employee's household. Under no circumstances shall the provisions of this section result in an increase in any employee's normal earnings.

The forgoing list shall include Step-Mother, Step-Father, Step-Sister, Step-Brother, Half-Sister, Half-Brother, Aunt or Uncle.

The Township may request documentation from the employee concerning proof of death and a signed statement as to the relationship of the employee to the deceased.

C. Unpaid Leave of Absence

1. Family/Medical Leave of Absence will be granted in accordance with the provisions of the Federal Family and Medical Leave Act ("FMLA") and under the New Jersey Family Leave Act ("NJFLA") and the regulations promulgated thereunder. Under the provisions of these statutes, the employee is entitled to twelve (12) weeks of leave during a twelve (12) month period, which leave may be extended at the request of the employee, upon good cause shown, for up to an additional six (6) months, excluding the initial twelve (12) week period. The employee shall be entitled to leave for the employee's own serious health condition, or the need to care for a spouse, child or parent with a serious health condition. In addition, the employee may

take leave to care for a spouse, child or parent-in-law. The circumstance under which leave may be taken vary depending on the type of leave requested and the employer will grant leave in accordance with the provisions of each statute, the regulations issued for each statute, and judicial decisions interpreting the requirements of each statute. If the employee takes FMLA or NJFLA leave, the employee may, at the employee's option use accrued sick leave, a vacation and other administrative leave during the FMLA or NJFLA leave. The employer retains all rights to require proper certification from a health care provider pursuant to all applicable Laws. Any other leave of absence shall be granted in the sole and absolute discretion of the Township Manager and shall not be for a period in excess of six (6) months.

2. Any unpaid leave of absence granted because of illness or disability will not result in cessation of insurance, health and welfare benefits set forth in Article VI. The employee shall not earn any seniority during the period of such leave of absence, and there will be no additional accrual of vacation, sick and personal days during the period of such leave of absence.
3. As to any unpaid leave of absence granted for any reason other than illness or disability, the Township shall have sole discretion to determine if such leave will result in cessation of insurance, health and welfare benefits during such leave of absence. The employee shall not earn any seniority during the period of such leave of absence, and there will be no additional accrual of vacation, sick and personal days during the period of such leave of absence.
4. Unless otherwise specifically set forth in this Agreement to the contrary, all of the provisions of the New Jersey Department of Personnel Regulations concerning leaves of absence, as set forth in Title 4A of the New Jersey Administrative Code, Chapter 6, Subchapter 1, as applied to State service, shall apply to members of the Supervisors Union.
5. Before an employee goes on FMLA or NJFLA leave without pay, the employee shall be entitled to use all of the sick, vacation and personal days, which have been credited to the employee at the beginning of the year. The employee also acknowledges that sick, vacation and personal days are not earned during any FMLA or NJFLA leave or any other unpaid leave of absence. Accordingly, i) if an employee on such leave does not return to work, he shall reimburse the employer for the paid sick, vacation and personal days used in excess of his prorated entitlements as set forth in Article IV – Vacations, Article V – Holiday, and Article XI – Sick Leave and Retirement of this Agreement, or ii) if

an employee on such leave does not return to work, the sick, vacation and personal days to be credited in the future shall be reduced by such days used in excess of his prorated entitlements.

ARTICLE VIII – GRIEVANCE PROCEDURE

A. Purpose

1. The purpose of this procedure is to secure, at the lowest possible level, an equitable solution to the problem which may arise affecting the terms and conditions of this Agreement and to resolve grievances as soon as possible so as to assure efficiency and promote employees morale. The parties agree that this procedure shall be kept as informal as may be appropriate.
2. Nothing contained herein shall be construed as limiting the right of any employee having a grievance to discuss the matter informally with his or her immediate supervisor.

B. Definition

The term "grievance" as used herein means as appeal by an individual employee or group of employees, from the interpretation, application or violation of this Agreement, policies and administrative decisions affecting them.

- ### C.
- The following constitutes the sole and exclusive method for resolving grievances between the parties covered by this Agreement, shall be followed in its entirety unless any step is waived by mutual consent.

1. STEP ONE

The aggrieved or the supervisor shall institute action under the provision hereof within ten (10) working days after the event giving rise to the grievance has occurred or knowledge thereof, and an earnest effort shall be made to settle the differences between aggrieved employee and the Manager for the purpose of resolving the matter informally. Failure to act within said ten (10) working days shall be deemed to constitute an abandonment of the grievance.

2. STEP TWO

If no agreement can be reached orally within ten (10) working days of the initial discussion with the Manager, employee or the supervisor may present the grievance in writing within ten (10) working days thereafter to the Township Council. The Council will answer the grievance in writing within ten (10) working days of receipt of the written grievance.

3. STEP THREE

If the grievance is not settled through the intervening steps, either party shall have the right to submit the dispute to Advisory Arbitration. The dispute shall be submitted pursuant to the rules and regulations of the Public Employment Relations Commission.

- D. Upon prior notice to an authorization of the Township Manager, the designated Supervisor's representative shall be permitted as members of the Grievance Committee to confer with employees and the Township on specific grievances in accordance with the grievance procedure set forth herein during work hours of employees, without loss of pay, provided the conduct of said business does not diminish the effectiveness of the Township or require the recall of off-duty employees.
- E. Agents of the Supervisors who are employees of the Township may be permitted to visit employees during work hours at their workstations for the purpose of discussing Supervisors representation matters, as long as such right is reasonably exercised and provided further that there is no undue interference with the Township work by such agents.
- F. The employer and the Supervisors further agree to give reasonable consideration to requests of either party for meeting to discuss grievances pending at any step.
- G. Employees are entitled to Supervisor representation at each and every step of the grievance procedure.
- H. If a decision is not rendered within the time limits prescribed for decision at any step in the grievance procedure, then the grievance shall be deemed to have been denied.

ARTICLE IX - SICK LEAVE AND RETIREMENT

- A. All employees shall retain all pension rights under New Jersey Law and the Ordinance of the Township of Lower.
- B. Employees shall receive a sick leave credit of one (1) working day for each completed month of service during the remainder of the first calendar year of service. Thereafter, all permanent employees shall be entitled to sick leave on the basis of fifteen (15) days per year. The fifteen (15) days will be credited at the beginning of the year, and may be used at any time during the year. If an employee resigns, retires or is otherwise absent, the fifteen (15) days will be prorated, and if more has been used than earned, it must be repaid. Sick leave may be utilized by employees when they are unable to perform their work by reason of personal illness, accident, or exposure to contagious disease. Sick leave may be utilized for short periods because of death in the employee's immediately family and defined in Civil Service Regulations, (N.J.A.C. 4:1-17.15). Sick leave entitlements for the entire year shall be credited to the employee at the beginning of each calendar year in anticipation of continued employment for the full year. In the event the employee terminates employment, takes a leave of absence or has any other change in status where such leave is not earned, he shall reimburse the employer for the value of the used, but unearned leave. For the purpose hereof, the prorated value of the sick leave shall be determined by i) dividing the number fifty-two (52) by the number of full weeks in such years as of the date of such termination of employment, leave or change in status, then ii) multiplying such fraction by the total number of sick days credited at the beginning of such year, and then iii) subtracting the sick days used in such year.
- C. 1. For all employees hired prior to January 1, 1986, upon regular retirement, an employee will receive a terminal leave benefit based upon the cash value of accumulated unused sick leave to a maximum of one hundred eighty (180) days, at the employee's rate of salary at retirement.
2. For all employees hired after January 1, 1986, they shall be entitled, upon regular retirement, to compensation for 100% of unused sick leave, up to a maximum of one hundred twenty (120) days.
3. For all employees hired on or after January 1, 2002, the maximum terminal leave benefit will be \$12,000.00.
4. Employees with ten (10) years of service resigning in good standing shall receive compensation for 50% of unused sick leave subject to the restrictions of Subparagraphs C-1, C-2 and C-3 of this Article.

5. Each retiring employee shall notify the Township treasurer of his intention to retire no later than December 1st of the year preceding the year in which the employee will retire.

6. For the purposes of Subparagraphs C-1, C-2 and C-3 of this Article "regular retirement" shall mean wither of the following:

- a. Retirement at age sixty-two (62) or older with at least fifteen (15) years of continuous service with the Township at the time of retirement; or
- b. Retirement at any age with a t least twenty-five (25) years of service with the Township at the time of retirement, but not necessarily continuous.

D. The Township, will at the employee's request, annually buy back five (5) days of unused sick leave in December of any year, from employees who have not used more than five (5) sick days that calendar year. For new employees hired on or after January 1, 2002, the Township may, at its option, but only upon the employee's request, annually buy back up to five (5) days of unused sick leave in January of any calendar year, provided that the employee has not used more than five (5) sick days in the preceding calendar year ending December 31. The purchased sick leave shall reduce the terminal benefit in days or hours due to the employee at the time of retirement pursuant to Paragraph C of this Article.

E. The Township may require an employee who has been absent because of personal illness, as a condition of his return to duty be examined, at the expense of the Township, by a physician designated by the Township. Such examination shall establish whether the employee is capable of performing the essential functions of his/her job and that his/her return will not jeopardize the health or safety of the employee, other employees or of the public.

F. All employees shall be entitled to accumulated sick leave days from year to year to be used if and when needed for such purpose.

G. Verification of Sick Leave

1. An employee who shall be absent on sick leave for three (3) or more consecutive working days shall be required to submit acceptable medical evidence substantiating the illness.

(a) An employee who has been absent on sick leave for periods totaling ten (10) days in one calendar year consisting of periods of less than three (3) days, shall submit acceptable medical evidence for any

additional sick leave in that year unless such illness is of a chronic or recurring nature requiring recurring absences of one (1) day or less in which case only one certificate shall be necessary for a period of six months.

(b) The appointing authority may require proof of illness of an employee on sick leave, whenever such requirement appears reasonable. Abuse of sick leave shall be cause for disciplinary action.

2. In case of leave of absence due to exposure to contagious disease, a certificate from the Department of Health shall be required.

ARTICLE X – WORK WEEK

- A. The work week for Supervisors is determined by the requirement of the job. The minimum number of hours for all Supervisors except for those in the Department of Public Works shall be thirty-five (35) hours. The minimum number of all hours for Supervisors in the Department of Public Works shall be forty (40) hours. Notwithstanding the above, all Supervisors are expected to work the days and hours required for the normal execution of their management responsibilities. In the event that Supervisors work in the excess of the minimum hours required for a normal working week, as essential administrative personnel and pursuant to the terms and conditions of this Agreement, they shall not be entitled to receive any additional compensation.
- B. Compensatory time on the books as of December 31, 1996, will be frozen. This frozen compensatory time shall be bought out by the Township (or used by the employee) in accordance with a negotiated schedule, starting in 1997. The Township will purchase up to a maximum of one hundred (100) hours per calendar year, subject to the availability of funds.

ARTICLE XI - WAGES

- A. All members of the Supervisors Union covered by this Agreement shall receive wage increases as follows:

1/1/2012 - 0%
7/1/2012 - 2%
1/1/2013 - 2%
1/1/2014 - 2%
1/1/2015 - 2%

- B. In addition to the increase set forth in Paragraph A of this Article, the base wages for the Superintendent of Public Works, and the Supervisor of Garage Services shall be increased by the sum of \$2106.79 for 2012, 2148.93 for 2013, 2191.90 for 2014 and 2235.74 for 2015 and shall also be subject to percentage increases in future contracts. This amount, as increased pursuant to this Agreement, shall be payable in a lump sum on the first regularly scheduled payday of each year. Provided further that such employees may elect prior to each calendar year of this agreement to receive such amounts in equal bi-weekly installments to be included with his or her regularly scheduled paycheck. This amount shall be deemed part of the annual salary for each of the affected employees, and shall therefore be deemed earned proportionately throughout the year. In the event such employee terminates employment, takes a leave of absence, or has any other change in status where such leave is not earned for a portion of the year, the Township shall recover from the employee the prorated value, as increased pursuant to this Agreement. If any of the aforementioned Supervisors work 50 hours or more beyond the regularly scheduled hours during any calendar year, he will receive an additional payment of \$632.39 for 2012, \$645.04 for 2013, \$657.94 for 2014, and 671.10 for 2015 in a lump sum upon the receipt by the Township Manager of documentation to verify the actual number of hours worked beyond the regularly scheduled hours. The amount is also subject to the percentage increases in future contracts. If the Recreation Superintendent is required to work on the Horseshoe Crab Festival, Bay Run, Independence Day Celebration, Halloween Costume Parade, Haunted Hayride and New Year's Eve Party, he will be compensated at straight time in the form of compensatory time. Compensatory Time must be used by March 31 of the next calendar year and will not accumulate from year to year.
- C. Retroactive salary increases will be paid with the first regularly scheduled pay following the execution of this Contract by both parties.
- D. Current salary raises for 2013 through 2015 shall begin January 1st of each respective year.

- E. All new hires shall receive as a starting salary, a salary no greater than the base salary listed for that title for the year in which the hire is made.
- F. Base Salaries with negotiated increases shall be set forth on Schedule B attached hereto and by this reference made a part hereof.
- G. The Township shall pay for the cost of a course in a state or county college relating to their job title, subject to approval by the Township Manager.

ARTICLE XII - LONGEVITY

All longevity is eliminated as of 1/1/2012 all unit members will receive a one time sum equivalent to their existing longevity amount plus \$1,200.00 increase to their base wages effective 1/1/12 in exchange for the elimination of longevity.

ARTICLE XII – CALL IN TIME

- A. If the Court Administrator or Deputy Court Administrator is called to duty on his/her time off, he/she shall receive payment at the rate of time and one-half (1 and ½) and be guaranteed two (2) hours minimum work, provided the Township may require an employee to work the minimum period.
- B. The Court Administrator and Deputy Court Administrator will also receive ten (10) minutes of call-in time if they are called to do court business on their days or evenings off.

ARTICLE XIV – UNIFORMS/EQUIPMENT ALLOWANCES

- A. Employees of the Department of Public Works shall be entitled to a complement of three (3) sets of uniforms paid for by the Township. All employees shall be entitled to the replacement of any worn out uniform upon presentation to their department head so that their complement of three (3) uniforms shall remain in tact.
- B. All employees in the Department of Public Works, Planning Director, Construction Official and Recreation Superintendent shall be entitled to a shoe allowance of \$75.00 per year. Upon presentation of a voucher and receipt for the shoes to the Township Treasurer, they shall be reimbursed for the purchase of any work shoes up to a limit of \$75.00 per year.
- C. All employees in the Department of Public Works shall receive adequate foul weather clothing and replacement upon presentment of work out foul weather clothing.
- D. Employees of the Department of Public Works shall receive one (1) winter jacket each year upon presentment of a worn out jacket.

ARTICLE XV – WORKER’S COMPENSATION

- A. When an employee sustains a job related injury, the employee is to receive his/her full salary from the Township, up to a maximum of one (1) year. The employee agrees to endorse over to the Township all monies reimbursed to him/her by worker’s compensation, during this time period, to the extent permitted by law.
- B. After the one (1) year maximum period, the injured employee will receive worker’s compensation payments only. However, accumulated sick leave and vacation time (as well as any frozen compensatory time) may be used to supplement the worker’s compensation payments.

ARTICLE XVI – GENERAL PROVISIONS

- A. Supervisors shall have the use of the employee bulletin board for the posting of notices relating to meetings and official business of the Supervisors.
- B. It is agreed that representatives of the employer and the Supervisors will meet from time to time upon the request of either party to discuss items of general interest or concern which are not necessarily a grievance as such. Such meetings shall be initiated by written request of either party, and a precise agenda shall be established.
- C. Employees who are covered by this Agreement shall perform duties and responsibilities outlined in the New Jersey Department of Civil Service Job Specifications for their position and by Lower Township Administrative Code.
- D. The Township shall be responsible for printing this Agreement within 20 days of having being signed by the parties.

ARTICLE XVII - SUPERVISOR'S BUSINESS

Whenever the employee of the Township who is a representative of the Supervisors is mutually scheduled to participate during working hours in negotiations, grievance proceedings, conferences or meetings, he/she shall suffer no loss of regular pay or be charged for sick leave or vacation leave.

ARTICLE XVIII – EQUAL TREATMENT

- A. There shall be no discrimination by the Township or the Union against any employee on account of race, creed, color, national origin, nationality, ancestry, age, sex (including pregnancy), familial status, marital status, domestic partnership or civil union status, affectional or sexual orientation, gender identity or expression, atypical hereditary cellular or blood trait, genetic information, liability for military service, and mental or physical disability, perceived disability, and AIDS and HIV status.
- B. The Township may adopt and post or otherwise disseminate such rules and regulations as it may desire, provided that the same are not contrary to this Agreement. Such rules will be equitably applied and enforced. The Union shall have the right to grieve or request impact bargaining with reference to the same within ten (10) working days after the same are posted or disseminated and/or a copy sent to the Union. Failure to grieve or request impact bargaining within the proscribed ten (10) working days shall be deemed an acceptance of the new or modified rules. For the purposes of this article, “working day” shall be defined as Monday through Friday.

ARTICLE XIX – SEPARABILITY AND SAVINGS

If any provision of this Agreement or any application of this Agreement to any employee or group of employees is held to be invalid by operation of law or by a court or other tribunal of competent jurisdiction, such provision shall be inoperative but all other provisions shall not be effected thereby and shall continue in full force and effect.

ARTICLE XX – MANAGEMENT RIGHTS

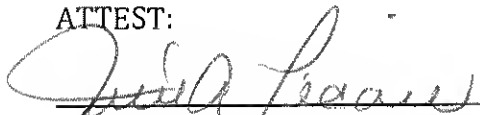
- A. The Township hereby retains and reserves unto itself without limitation all powers, rights, authority, duties and responsibilities conferred upon and vested in it prior to the signing of this Agreement by the Laws and Constitution of the State of New Jersey and of the United States, including, but without limiting the generality of the foregoing, the following rights:
1. The executive, managerial and administrative control of the Township government and its properties and facilities and the activities of its employees;
 2. To hire all employees and subject to the provisions of law, to determine their qualifications and controls for continued employment or assignment and to promote and transfer employees;
 3. To suspend, demote, discharge or take other disciplinary action for good and just cause according to law.
- B. The exercise of the foregoing powers, rights, authority, duties and responsibilities of the Township, the adoption of policies, rules and regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms hereof and in conformance with the Constitution and Laws of New Jersey and of the United States.
- C. Management shall have the right to institute technological improvements within the department subject only to the limitations contained herein. "Technological improvement" is defined as a change in procedures, equipment or method of operation which has the effect of increasing the efficiency of the operation of the department, or lowering the manpower requirements of the department. In the event technological improvements are introduced, the department will endeavor, or as far as practicable, to institute these improvements in such a manner that there will be at least possible hardships to employees. Should the union feel that an injustice has been committed in such action, they may file a grievance under the Agreement. The sole issue for the arbitrator shall be: "did the department act arbitrarily or capriciously in instituting the technological improvements?"
- D. Nothing contained herein shall be constructed to deny or restrict the Township of its powers, rights, authority, duties and responsibilities under Title 40 and Title 11 of New Jersey Statutes, or any other national, state, county or local laws or ordinances.

ARTICLE XXI - TERM AND RENEWAL

This Agreement shall be in full force and effect as of January 1, 2012 and shall remain in effect to and including December 31, 2015. This Agreement shall continue in full force and effect from year to year thereafter, unless one party or other gives notice, in writing, at least thirty (30) days to change, modify or terminate this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seal at Township of Lower, New Jersey, this 17 day of June, 2013.


ATTEST:


Julie Picard, Twp. Clerk

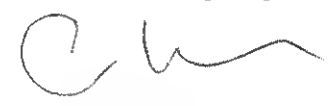
TOWNSHIP OF LOWER

By: 
Michael Beck, Mayor

WITNESS:


Gary L. Playford

Lower Township Supervisor's Union


Gary Downes, President

SCHEDULE B

Supervisor's Union - Salary Chart

Dept.	Name	Last		1/1/2012	7/1/2012	2013	2014	2015
DPW	Robert	Bailey	Supervisor of Garage Services	70,002.25	71,402.30	72,830.34	74,286.95	75,772.69
Paragraph B	Robert	Bailey		2,106.79		2,148.93	2,191.90	2,235.74
Planning	William	Galestok	Director of Planning	80,629.77	82,242.37	83,887.21	85,564.96	87,276.26
Assessor	Arthur	Amonette	Tax Assessor	84,887.39	86,585.14	88,316.84	90,083.18	91,884.84
Finance	Colleen	Crippen	Coordinator of Fed. And State Aid	61,149.01	62,371.99	63,619.43	64,891.82	66,189.65
DPW	David	Lepor	General Supervisor of DPW	70,000.00	71,400.00	72,828.00	74,284.56	75,770.25
Collector	Susan	Jackson	Tax Collector	83,009.82	84,670.02	86,363.42	88,090.69	89,852.50
DPW	Gary	Douglass	Superintendent of Public Works	81,023.83	82,644.31	84,297.20	85,983.14	87,702.80
Paragraph B	Gary	Douglass		2,106.79		2,148.93	2,191.90	2,235.74
Court	Elizabeth	Byrne	Court Administrator	74,665.70	76,159.02	77,682.20	79,235.84	80,820.56
Finance	Margaret	Vtelli	Purchasing Agent	60,469.93	61,679.32	62,912.91	64,171.17	65,454.59
Court	Laura	Milbrant	Deputy Mun. Court Administrator	47,710.50	48,664.71	49,638.01	50,630.77	51,643.38
BOCA	Gary	Playford	Construction Official	70,980.29	72,399.89	73,847.89	75,324.85	76,831.34
REC	Mich	Plenn	Superintendent of Parks and Recreation			60,000.00	61,200.00	62,424.00

6/13/2013

CR



DIRECT ACCESS DESIGN 7 Public 15 Township of Lower

Benefit	In-Network	Out-of-Network
Benefit Period	Calendar Year	
Deductible		
Individual	None	
Family	None	\$100
Coinsurance	Deductible is Calendar Year.	
Maximum Out of Pocket	100%	70%
Individual		
Family	\$400	\$2,000
	\$800	\$5,000
Maximum Out of Pocket is Calendar Year. The deductible, coinsurance and copayments apply to the Maximum Out of Pocket. Balances from non-participating providers over our allowance are not eligible towards the Maximum Out of Pocket.		
Benefit Period Maximum	Unlimited	Unlimited
Lifetime Maximum	Unlimited	Unlimited
Primary Care Physician Selection	Not Required	
Doctor's Office Visits		
Primary Care Office Visit	100% after \$15 copay A primary care physician is a general or family practitioner, internist or pediatrician	70% after deductible
Specialist Office Visit	100% after \$15 copay A referral is not required to visit a specialist.	70% after deductible
Maternity Visits	100% after \$15 copay Copay applies to 1st visit only	70% after deductible
Allergy Testing and Treatment	Dependent children are eligible for Maternity/Obstetrical Benefits.	
Preventive Care	100%	70% after deductible
Routine Adult Physicals, GYN Exams, PAP, Mammograms, Prostate Cancer Screening, Colorectal Screening, Immunizations	100%	70% (no deductible)
Well Child Exams	100%	
Well Child Immunizations and Lead Screening	100%	70% (no deductible)
Diagnostic Procedures		
Laboratory	100% in office or Labcorp 100% in Outpatient facility	70% after deductible
Outpatient X-ray/Radiology Services	100% in office 100% in Outpatient facility	70% after deductible
CT/CTA Scans, PET Scans, MRIs/MRAs, Nuclear Medicine studies (including Nuclear Cardiology) require prior authorization. The ordering physician should request the prior authorization by calling CareCore National, LLC (CCN) at 1-866-496-6200 and providing the necessary clinical information. Once the authorization number is received, the member may call CCN at 1-866-969-1234 to schedule an appointment.		
Note: Managed Care members can call 1-866-969-1234 to obtain a confirmation number for non-Advanced Imaging diagnostic procedures. Confirmation numbers from CCN replace the need for a paper referral.		
Hospital Care		
Inpatient Admission (including maternity)	100%	70% after deductible and \$200 copay
Room and Board	100%	70% after deductible
Pre-admission Testing	100%	70% after deductible
Surgery in Hospital	100%	70% after deductible
Inpatient Physician Services	100%	70% after deductible
Outpatient Dept. Services	100%	70% after deductible
Emergency Care		
Emergency Room	100% after \$50 copay	
Ambulance	Payment at the in-network level across-the-board applies only to true Medical Emergencies & Accidental Injuries.	70% after deductible

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DIRECT ACCESS DESIGN 7 Public 15 **Township of Lower**

Outpatient Surgery		
Hospital Outpatient Surgery	100%	70% after deductible
Surgery in an Ambulatory SurgiCenter	100%	70% after deductible
Services performed at a non-participating ambulatory surgery center are reimbursed at Horizon BCBSNJ's Payment Allowance and therefore may result in significant out of pocket costs.		
Mental Health Services		
Inpatient	100%	70% after deductible and \$200 copay
Outpatient department	100%	70% after deductible
Office setting	100% after \$15 copay	70% after deductible
Substance Abuse Services		
Inpatient	100%	70% after deductible and \$200 copay
Outpatient department	100%	70% after deductible
Office setting	100% after \$15 copay	70% after deductible
Alcohol Abuse Services		
Inpatient	100%	70% after deductible and \$200 copay
Outpatient department	100%	70% after deductible
Office setting	100% after \$15 copay	70% after deductible
Inpatient and Outpatient Mental Health/Substance Abuse/Alcoholism Services must be coordinated through Magellan Behavioral Health at 1-800-626-2212.		
Other Services		
Acupuncture	100%	70% after deductible
Bariatric Surgery	100%	70% after deductible
Diabetic Education	100% after \$15 copay	70% after deductible
Diabetic Supplies	90%	70% after deductible
Durable Medical Equipment	90%	70% after deductible
Home Health Care	100%	70% after deductible
Hospice Care	100%	70% after deductible
Infertility (including in-vitro fertilization)	100% after \$15 copay Limited to 4 egg retrievals per lifetime	70% after deductible
Nutritional Counseling	100%	70% after deductible
Orthotics and Prosthetics	100% after \$15 copay Limited to 3 visits per benefit period	70% after deductible
Physical Rehabilitation Facility Inpatient Services	100%	70% after deductible
Private Duty Nursing	90%	70% after deductible
Short-term Therapies: Physical, Occupational, Speech, Respiratory	Unlimited	70% after deductible
Skilled Nursing Facility/Extended Care Center	100% after \$15 copay 100% up to 120 days The overall maximum per benefit period is 120 days combined in and out of network.	70% after deductible 70% after deductible up to 60 days
Therapeutic Manipulation (Chiropractic Care)	100% after \$15 copay 30 visit maximum per benefit period	70% after deductible
Vision - Routine Eye Exam	100% after \$15 copay	Not Covered
Vision Hardware	Not Covered	Not Covered
Prescription Drugs		
Eligibility	Covered under a freestanding Rx program Dependent children, including full-time students are covered until the end of the month in which they reach the age of 26. Handicapped dependents are covered beyond the child removal age, if the handicap occurred prior to the age of 26. Under certain conditions, coverage may be extended for qualified dependents up to age 31.	

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Horizon



Horizon Blue Cross Blue Shield of New Jersey

Working. Healthy. Whole.

DIRECT ACCESS DESIGN 7 Public 15 Township of Lower

Pre-Existing Conditions	Not Applicable
Grandfathered	Not Applicable
Prior Authorization	Some services/procedures require prior authorization. For a complete list, contact our customer service number at 1-800-355-BLUE (2583) or refer to our website at www.HorizonBlue.com .
24/7 Nurse Line	24/7 Nurse Line is a health information service that includes a toll free 24 hour health information line staffed by registered nurses. 24/7 Nurse Line nurses do not diagnose or recommend any treatment. Instead, they provide the member with the necessary health information needed to make informed medical decisions. This helps members determine if their health ailment requires a doctor's visit.

You can save money when you choose to receive care from providers that participate in the Horizon BCBSNJ networks. When you use participating hospitals or other medical facilities or doctors, you generally only pay your copayment and any applicable in-network coinsurance or deductible. Generally, if you have services performed at an out of network facility or by an out of network provider, your out of network benefits will apply. This means that you will be responsible for amounts exceeding Horizon BCBSNJ's allowable reimbursement for that particular service and this may result in significant out of pocket costs. You will be responsible to pay for this amount directly to the non-participating hospital, ambulatory surgery center or provider. By using our Horizon-BCBSNJ network providers, you keep your health care costs down.

Please note that the benefit highlights are provided for informational purposes. Horizon BCBSNJ makes every effort to provide clear and accurate information pertaining to these benefit highlights. However, because Horizon BCBSNJ generally expects continued guidance from regulators on issues pertaining to Federal health care reform, the information that has been provided is subject to change. Horizon BCBSNJ will provide notice of such changes to members pursuant to State and Federal requirements.

This summary highlights the major features of your health benefit program. It is not a contract and some limitations and exclusions may apply. Payment of benefits is subject solely to the terms of the contract. Please refer to your benefit booklet for more information.

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DIRECT ACCESS DESIGN 7 Public 10 **Township of Lower**

Benefit	In-Network	Out-of-Network
Benefit Period	Calendar Year	
Deductible		
Individual	None	None
Family	None	\$100
Coinsurance	Deductible is Calendar Year.	
Individual	100%	80%
Family	\$400	\$2,000
Maximum Out of Pocket	\$800	\$5,000
Maximum Out of Pocket is Calendar Year. The deductible, coinsurance and copayments apply to the Maximum Out of Pocket. Balances from non-participating providers over our allowance are not eligible towards the Maximum Out of Pocket.		
Benefit Period Maximum	Unlimited	Unlimited
Lifetime Maximum	Unlimited	Unlimited
Primary Care Physician Selection	Unlimited	Unlimited
Doctor's Office Visits	Not Required	
Primary Care Office Visit	100% after \$10 copay A primary care physician is a general or family practitioner, internist or pediatrician.	80% after deductible
Specialist Office Visit	100% after \$10 copay A referral is not required to visit a specialist.	80% after deductible
Maternity Visits	100% after \$10 copay Copay applies to 1st visit only	80% after deductible
Allergy Testing and Treatment	Dependent children are eligible for Maternity/Obstetrical Benefits.	80% after deductible
Preventive Care	100%	80% after deductible
Routine Adult Physicals, GYN Exams, PAP, Mammograms, Prostate Cancer Screening, Colorectal Screening, Immunizations	100%	80% (no deductible)
Well Child Exams	100%	80% (no deductible)
Well Child Immunizations and Lead Screening	100%	80% (no deductible)
Diagnostic Procedures		
Laboratory	100% in office or Labcorp 100% in Outpatient facility	80% after deductible
Outpatient X-ray/Radiology Services	100% in office 100% in Outpatient facility	80% after deductible
CT/CTA Scans, PET Scans, MRIs/MRAs, Nuclear Medicine studies (including Nuclear Cardiology) require prior authorization. The ordering physician should request the prior authorization by calling CareCore National, LLC (CCN) at 1-866-496-6200 and providing the necessary clinical information. Once the authorization number is received, the member may call CCN at 1-866-969-1234 to schedule an appointment.		
Note: Managed Care members can call 1-866-969-1234 to obtain a confirmation number for non-Advanced Imaging diagnostic procedures. Confirmation numbers from CCN replace the need for a paper referral.		
Hospital Care		
Inpatient Admission (excluding maternity)	100%	80% after deductible and \$200 copay
Room and Board	100%	80% after deductible
Pre-admission Testing	100%	80% after deductible
Surgery in Hospital	100%	80% after deductible
Inpatient Physician Services	100%	80% after deductible
Outpatient Dept. Services	100%	80% after deductible
Emergency Care		
Emergency Room	100% after \$25 copay	80% after deductible
Ambulance	90%	80% after deductible

04



Horizon Blue Cross Blue Shield of New Jersey
Including HealthCare Work.



DIRECT ACCESS DESIGN 7 Public 10

Township of Lower

Outpatient Surgery		
Hospital Outpatient Surgery	100%	80% after deductible
Surgery in an Ambulatory Surg/Center	100%	80% after deductible
Services performed at a non-participating ambulatory surgery center are reimbursed at Horizon BCBSNJ's Payment Allowance and therefore may result in significant out of pocket costs.		
Mental Health Services		
Inpatient	100%	80% after deductible and \$200 copay
Outpatient department	100%	80% after deductible
Office setting	100% after \$10 copay	80% after deductible
Substance Abuse Services		
Inpatient	100%	80% after deductible and \$200 copay
Outpatient department	100%	80% after deductible
Office setting	100% after \$10 copay	80% after deductible
Alcohol Abuse Services		
Inpatient	100%	80% after deductible and \$200 copay
Outpatient department	100%	80% after deductible
Office setting	100% after \$10 copay	80% after deductible
Inpatient and Outpatient Mental Health/Substance Abuse/Alcoholism Services must be coordinated through Magellan Behavioral Health at 1-800-626-2212.		
Other Services		
Acupuncture	100%	80% after deductible
Bariatric Surgery	100%	80% after deductible
Diabetic Education	100% after \$10 copay	80% after deductible
Diabetic Supplies	90%	80% after deductible
Durable Medical Equipment	90%	80% after deductible
Home Health Care	100%	80% after deductible
Hospice Care	100%	80% after deductible
Infertility (including in-vitro fertilization)	100% after \$10 copay	80% after deductible
Limited to 4 egg retrievals per lifetime		
Nutritional Counseling	100%	80% after deductible
Orthotics and Prosthetics	100% after \$10 copay	80% after deductible
Physical Rehabilitation Facility Inpatient Services	100%	80% after deductible
Private Duty Nursing	90%	80% after deductible
Short-term Therapies: Physical, Occupational, Speech, Respiratory	100% after \$10 copay	80% after deductible
Skilled Nursing Facility/Extended Care Center	100% up to 120 days	80% after deductible up to 60 days
The overall maximum per benefit period is 120 days combined in and out of network.		
Therapeutic Manipulation (Chiropractic Care)	100% after \$10 copay	80% after deductible
Vision - Routine Eye Exam	100% after \$10 copay	30 visit maximum per benefit period
Vision Hardware		Not Covered
Prescription Drugs		Not Covered
Eligibility	Covered under a freestanding Rx program	
	Dependent children, including full-time students are covered until the end of the calendar year in which they reach the age of 26. Handicapped dependents are covered beyond the child removal age, if the handicap occurred prior to the age of 26. Under certain conditions, coverage may be extended for qualified dependents up to age 31.	
Prior Authorization	Some services/procedures require prior authorization. For a complete list, contact our customer service number at 1-800-355-BLUE (2583) or refer to our website at www.HorizonBlue.com .	

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 Helping Healthcare Work.

DIRECT ACCESS DESIGN 7 Public 10 Township of Lower

24/7 Nurse Line

24/7 Nurse Line is a health information service that includes a toll free 24 hour health information line staffed by registered nurses. 24/7 Nurse Line nurses do not diagnose or recommend any treatment. Instead, they provide the member with the necessary health information needed to make informed medical decisions. This helps members determine if their health ailment requires a doctor's visit.

You can save money when you choose to receive care from providers that participate in the Horizon BCBSNJ networks. When you use participating hospitals or other medical facilities or doctors, you generally only pay your copayment and any applicable in-network coinsurance or deductible. Generally, if you have services performed at an out of network facility or by an out of network provider, your out of network benefits will apply. This means that you will be responsible for amounts exceeding Horizon BCBSNJ's allowable reimbursement for that particular service and this may result in significant out of pocket costs. You will be responsible to pay for this amount directly to the non-participating hospital, ambulatory surgery center or provider. By using our Horizon-BCBSNJ network providers, you keep your health care costs down.

Please note that the benefit highlights are provided for informational purposes. Horizon BCBSNJ makes every effort to provide clear and accurate information pertaining to these benefit highlights. However, because Horizon BCBSNJ generally expects continued guidance from regulators on issues pertaining to Federal health care reform, the information that has been provided is subject to change. Horizon BCBSNJ will provide notice of such changes to members pursuant to State and Federal requirements.

This summary highlights the major features of your health benefit program. It is not a contract and some limitations and exclusions may apply. Payment of benefits is subject solely to the terms of the contract. Please refer to your benefit booklet for more information.

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Prescription Drug Program Township of Lower

The Prescription Drug Program covers FDA approved legend drugs. A prescription order from a physician is required for drugs to be eligible. Prescriptions may be refilled within one year of the original prescription date, when authorized by the physician and permitted by law. Any limitations that apply to an original prescription also apply to the refills.

Type of Program	Generic Drugs	Brand Name Drugs
Two Tier Copayment Plan:		
Retail: Up to a 90 day supply (1 retail copay applies per 30-day supply)	\$3	\$10
Mail Order: Up to 90 day supply (1 mail order copay applies for the 90-day supply)	\$5	\$15
Benefit Period Maximum	Unlimited	
Plan includes:	Contraceptive drugs & devices obtained at a pharmacy Diabetic Supplies Erectile Dysfunction drugs - limit of 4 per month Fertility Drugs Self-Administered Contraceptives & Injectable Contraceptives	

Specialty Pharmacy Program:

Certain specialty pharmaceuticals must be obtained from one of the contracted pharmacies. Specialty pharmaceuticals are typically used to treat conditions such as: Adenosine Deaminase Deficiency, Allergic Asthma, Alpha-1 Proteinase Inhibitor Deficiency, Anemia, Crohn's Disease, Cytomegalovirus, Fabry's Disease, Gaucher Disease, Hypercalcemia of Malignancy, Neutropenia, Prostate Cancer, Psoriasis, Pulmonary Hypertension, Respiratory Syncytial Virus, and Rheumatoid Arthritis.

- Personal attention from a pharmacist-led team that provides condition-specific education, medication administration instruction and expert advice to help manage therapy.
- Claims assistance to help determine individual coverage and file the necessary paperwork.
- Easy access to pharmacists and other health experts 24 hours a day, seven days a week.
- Single, reliable source for specialty medication needs.
- Easy ordering with a dedicated toll-free number.
- Confidential and convenient delivery to the location of choice (i.e., home, physician's office.)
- Helpful follow-up care calls to remind when it's time to refill a prescription, check on therapy progress and answer any questions.
- NOTE: Specialty pharmacies are considered "retail" pharmacies and are always subject to the retail copayment levels, even if the specialty pharmaceutical is obtained through the mail.

Exclusions:

Anti-Obesity Drugs
Over The Counter Vitamins & Minerals
Growth Hormones (unless prior authorized)
Drugs for Cosmetic Purposes
Immunization Agents and Allergy Serum
Lifestyle Drugs***

Dependent children, including full-time students, are covered until the end of the calendar year in which they reach the age of 26. Handicapped dependents are covered beyond the child removal age, if the handicap occurred prior to the age of 26. Under certain conditions, coverage may be extended for qualified dependents up to age 31.

For more information about your prescription drug plan, please refer to our website at www.horizon-bchtnj.com under Member Information. Should you have any additional questions, please feel free to contact Member Services at the phone number listed on

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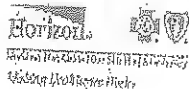
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Prescription Drug Program Township of Lower-Retiree

The Prescription Drug Program covers FDA approved legend drugs. A prescription order from a physician is required for drugs to be eligible. Prescriptions may be refilled within one year of the original prescription date, when authorized by the physician and permitted by law. Any limitations that apply to an original prescription also apply to the refills.

The Horizon Prescription Formulary is a list of prescription medications developed by an independent Pharmacy and Therapeutics (P&T) Committee comprised of practicing physicians and pharmacists in New Jersey. The Horizon P&T Committee determines which drugs will be placed into preferred and non-preferred status within our open formulary. The priority consideration is clinical efficacy and safety, followed by other considerations such as second line therapies, and availability of commonly used and safe generics. At least two drugs from each therapeutic class are placed in the preferred status on the formulary. Once a quality review has determined that two or more drugs are equal to other therapeutic alternatives, the P&T Committee may place the most cost effective drug(s) into preferred status.

Type of Program	Preferred Generic Drugs	Preferred Brand Name Drugs	Non-Preferred Drugs
Three Tier Copayment Plan:			
Retail: Up to a 90 day supply (1 retail copay applies to the preferred 100 units or a 30-day supply)	\$10	\$22	\$44
Mail Order: Up to 90 day supply (1 mail order copay applies for the 90-day supply)	\$5	\$33	\$55
Out of Pocket Maximum per benefit Period		\$1,351.00	
Plan includes:	Contraceptive drugs & devices obtained at a pharmacy Diabetic Supplies Erectile Dysfunction drugs - limit of 4 per month Fertility Drugs Self-Administered Contraceptives & Injectable Contraceptives Lifestyle Drugs Anti-Obesity Drugs		

Specialty Pharmacy Program

Certain specialty pharmaceuticals must be obtained from one of the contracted pharmacies. Specialty pharmaceuticals are typically used to treat conditions such as: Adenosine Deaminase Deficiency, Allergic Asthma, Alpha-1 Protease Inhibitor Deficiency, Anemia, Crohn's Disease, Cytomegalovirus, Fabry's Disease, Gaucher Disease, Hypercalcemia of Malignancy, Neutropenia, Prostate Cancer, Psoriasis, Pulmonary Hypertension, Respiratory Syncytial Virus, and Rheumatoid Arthritis.

- Personal attention from a pharmacist-led team that provides condition-specific education, administration instruction and expert advice to help manage therapy.
- Claims assistance to help determine individual coverage and file the necessary paperwork.
- Easy access to pharmacists and other health experts 24 hours a day, seven days a week.
- Single, reliable source for specialty medication needs.
- Easy ordering with a dedicated toll-free number.
- Confidential and convenient delivery to the location of choice (i.e., home, physician's office).
- Helpful follow-up care calls to remind when it's time to refill a prescription, check on therapy progress and answer any questions.
- NOTE: Specialty pharmacies are considered "retail" pharmacies and are always subject to the retail copayment levels, even if the specialty pharmaceutical is obtained through the mail.

Exclusions:

Over The Counter Vitamins & Minerals
Growth Hormones (unless prior authorized)
Drugs for Cosmetic Purposes
Immunization Agents and Allergy Serum

Dependent children, including full-time students, are covered until the end of the calendar year in which they reach the age of 26. Handicapped dependents are covered beyond the child removal age, if the handicap occurred prior to the age of 26. Under certain conditions, coverage may be extended for qualified dependents up to age 31.

For more information about your prescription drug plan, please refer to our website at www.horizon-bcbnj.com under Member Information. Should you have any additional questions, please feel free to contact Member Services at the phone number listed on your identification card.

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